+++ IF YOU RECEIVED THIS COMMUNICATION VIA MAILGRAM, AND +++
WISH TO RECEIVE FUTURE COMMUNICATIONS VIA FAX, PLEASE
CONTACT OUR CUSTOMER SERVICE OFFICE IN RICHMOND, VIRGINIA.

TO OUR DIRECT CUSTOMERS:

PHILIP MORRIS IS PLEASED TO ANNOUNCE THE FOLLOWING CHANGES TO OUR BASIC ALLOWANCE STRUCTURE. THIS NEW ALLOWANCE STRUCTURE WILL BECOME EFFECTIVE WITH SHIPMENTS OF MONDAY, MARCH 29, 1993, AND SUPERSEDES ALLOWANCE CHANGES ANNOUNCED IN OUR MAILGRAM OR FAX TO YOU DATED MARCH 12, 1993.

PARTNERSHIP ACCRUAL PROGRAM

OUR PARTNERSHIP ACCRUAL PROGRAM WILL BE INCREASED FROM $0.25 PER CARTON TO $0.55 PER CARTON FOR ALL OF YOUR BASIC PURCHASES. THIS ACCRUAL PAYMENT WILL BE MADE TO YOU SEMI-ANNUALLY.

BASIC TRADE DISCOUNT ALLOWANCES

THE RETAIL FEATURE PROGRAM PORTION OF OUR BASIC TRADE DISCOUNT ALLOWANCE, WHICH WAS TO BE REDUCED FROM $0.80 PER CARTON TO $0.50 PER CARTON EFFECTIVE WITH SHIPMENTS OF MONDAY, MARCH 29, WILL REMAIN $0.80 PER CARTON. THIS ALLOWANCE WILL CONTINUE TO BE PAID OFF-INVOICE.

THE BASIC TRADE DISCOUNT ALLOWANCE OF $0.50 PER CARTON WILL BE REDUCED TO $0.20 PER CARTON AND WILL CONTINUE TO BE PAID OFF-INVOICE.

BASIC ADMINISTRATIVE FEE

THE $0.05 PER CARTON ADMINISTRATIVE FEE PAID TO THOSE CUSTOMERS WHO ADMINISTER OUR RETAIL ALLOWANCE PROGRAM REMAINS UNCHANGED AND WILL BE PAID MONTHLY VIA CREDIT MEMO.

ELECTRONIC PAYMENT PROGRAM (EPP) PARTICIPANTS

PLEASE CONSULT YOUR PROGRAM MATERIAL OR OUR EPP REPRESENTATIVE AT OUR EPP TOLL-FREE NUMBER IF YOU HAVE ANY QUESTIONS REGARDING EPP AS IT RELATES TO THIS ANNOUNCEMENT.

PHILIP MORRIS IS NOT LIABLE FOR ANY ERRORS IN THIS COMMUNICATION THAT MAY OCCUR DURING THE TRANSMISSION PROCESS.

PHILIP MORRIS RESERVES THE RIGHT TO DISCONTINUE OR AMEND THESE ALLOWANCES AT ANY TIME WITH OR WITHOUT NOTICE.

THANK YOU FOR YOUR CONTINUED SUPPORT AND COOPERATION.

PHILIP MORRIS U.S.A.

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Source: https://www.industrydocuments.ucsf.edu/docs/gqvk0004